

SLAUGHTER AND MAY

Pensions and Employment







“Slaughter and May is  
'excellent in all respects'”

The Legal 500, 2017

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# Introduction /

## Slaughter and May

Slaughter and May is an international law firm with offices in London, Brussels, Hong Kong, and Beijing.

Our clients include industrial and commercial companies from all business sectors, utilities, banks and other financial institutions, building societies, insurance companies and professional firms, as well as governments, public bodies and other organisations.

We have very close working relationships with leading independent law firms in all the major jurisdictions and provide our clients with cohesive multi-jurisdictional advice.

## The Pensions and Employment Group

We are a single group advising on pension benefits, employment law, employee share schemes and other employee benefit related matters. The group comprises 6 partners and over 20 qualified lawyers, plus dedicated know-how lawyers and trainees. Most of our lawyers are multi-disciplinary and advise on at least two of these practice areas.

This brochure outlines the services provided by the Pensions and Employment group and describes our approach. If you require further information, please contact Charles Cameron:



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“Always very thorough, technically very strong  
and creative in finding solutions to problems”

Chambers UK, 2017

# What we do /

## Pensions

One of the hallmarks of our pensions practice is our involvement in some of the most complex and innovative pensions related matters. This is facilitated by our cross disciplinary approach, working in integrated teams with specialist colleagues from across the firm.

We act both for corporate sponsors (private and public sector) and for trustees on a range of matters, including:

- establishing and operating all kinds of registered and non-registered UK pension schemes
- pension benefit change exercises
- pension fund deficits including funding valuation negotiations
- de-risking solutions including the buy-in and buy-out of pension benefits with insurance companies, and the insurance of pension liabilities using collateralised asset swaps and longevity insurance contracts
- investment issues including implementation of liability driven investment strategies and funding via asset backed partnerships
- restructuring, merging and winding up of pension schemes

- pension aspects of acquisitions and disposals, flotations, privatisations, reconstructions and demergers including applications for clearance from the Pensions Regulator
- assisting employers in compliance with auto-enrolment duties under the Pensions Act 2008
- disputes involving pension schemes, working in multi-disciplinary teams with lawyers from our Dispute Resolution group in our Pensions Dispute Resolution team
- routine advice including attendance at trustee meetings

We also work closely with leading local counsel on cross-border pensions issues and on the establishment of overseas pension schemes.

We actively support the Association of Pension Lawyers and most of the Group's lawyers are APL members. Currently, Sandeep Maudgil is a member of the Legislative and Parliamentary Sub-Committee of the APL (of which Charles Cameron is a past Chairman) and Isobel Carruthers is the Secretary to the Main Committee, whilst Kris Weber has been heavily involved from 2002 to 2013, serving variously as Secretary, an elected member of the Main Committee and as website lead.

**A top-quality firm with a deep knowledge and understanding of pensions law and the industry sector in which we operate**

Chambers UK, 2016

## Employment

Employment is a constantly changing and increasingly regulated area. We provide our clients with practical and commercial responses to the raft of new legislation, case law and regulatory changes, and the many difficult and sensitive employment issues which may arise.

We advise on a wide range of contentious and non-contentious employment matters, including:

- drafting and negotiating employment documentation, especially for key senior personnel
- the latest corporate governance and executive remuneration requirements
- employment aspects of all commercial transactions including acquisitions, disposals and service provision changes, flotations, takeovers and insolvent restructurings

- redundancies and restructurings

- employment disputes and dismissals, particularly those involving senior executives or complex issues involving discrimination and whistle-blowing

The majority of employment disputes we deal with are settled prior to a hearing, and the team has considerable experience in negotiating settlements and resolutions. If litigation cannot be avoided, we prepare cases for the employment tribunal and in conjunction with our colleagues in the Dispute Resolution group also act on employment matters in the High Court and the Court of Appeal.

Our employment lawyers are active members of the Employment Lawyers' Association.

**The team is excellent and they are able to provide a seamless service**

Chambers UK, 2017

## Employee benefits

Employee benefits involve company law, tax and financial services legislation as well as London Stock Exchange, HMRC and other practices, making it essential to consult experts in the field. We have a great deal of experience in dealing with the employee share scheme issues that face UK and overseas corporates, both on a day to day basis and in relation to corporate transactions (such as IPOs, mergers and acquisitions, rights issues or other capital raisings).

Our work in the employee benefits field includes:

- establishing and operating all kinds of tax registered and other incentive schemes
- dealing with the incentives aspects of mergers and acquisitions
- implementing complex management incentivisation arrangements, often involving new classes of share capital or intricate corporate and trust strategies

- advising on employee trusts
- working with leading overseas lawyers on the establishment of incentive schemes to operate in multiple jurisdictions
- advising on the effects of new legislation and regulation, in particular the complexities of the disguised remuneration regime, the PRA/ FCA Remuneration Code and the increasing introduction of “clawback” arrangements

Our employee benefits lawyers are active members of the Share Plan Lawyers group (SPL), of which Jonathan Fenn is Chair.

They provide advice you can rely on, and they get it right first time. They are excellent

Chambers UK, 2016

## The Pensions Dispute Resolution team

Our Pensions Dispute Resolution team has an outstanding record for resolving pensions disputes.

Pension-related disputes are often complex and require specialist knowledge as well as first class litigation and dispute resolution skills. The Pensions Dispute Resolution Group brings together leading practitioners from our Pensions and Dispute Resolution groups to provide our clients with unrivalled expertise and experience.

We have extensive experience of disputes referred to the Pensions Ombudsman, and of pensions litigation in the High Court (including appeals from decisions by the Pensions Ombudsman).

We act for a wide spectrum of pension trustees, employers, pension advisors and actuaries on a broad range of substantial and complex pension-related disputes, including:

- equalisation disputes
- amendments and members' notifications
- construction and interpretation of trust deeds and scheme rules
- rectification of drafting and similar errors
- escalation and benefits disputes
- advisors and investment performance disputes

We are also regularly asked to draft internal dispute resolution procedures for clients. We have extensive experience of drafting procedures which both comply with the technical requirements of the legislation and are user-friendly and easy for the member to follow. A model form of procedure is available to clients.

**A first rate outfit. Members can turn their hand to anything**

Chambers UK, 2014

# Management of complex legal projects /

We have considerable experience in the firm and in the Pensions and Employment group in managing a wide range of complex legal projects. The nature of the work of the firm as a whole means that the group is involved in complex transactions and corporate developments that demand flexible solutions to issues affecting personnel.

In addition, our group provides a great deal of “stand alone” advice.

In the pensions field, recent examples have included:

- advising on complex benefit change exercises for a number of clients
- structuring a ground-breaking “deficit for equity swap” for a pension scheme using a regulated apportionment arrangement, working with our Financing, Tax and Corporate groups
- acting (in conjunction with our Financing and Insurance groups) on some of the largest de-risking exercises to date
- advising a number of clients on asset-backed partnership investment structures, a field in which we are market leaders having first developed this investment structure with our Financing, Tax and Corporate groups in 2006

Stand alone employment issues tend, because of the firm’s client base, to be challenging projects with complex management implications; examples include whistle-blowing and discrimination claims against senior management, and high profile hiring and firings.

Examples in the employee benefits field include the establishment of international share schemes, which involves co-ordinating legal and tax advice in a large number of overseas jurisdictions.

The skills necessary to run complex legal projects such as these include:

- knowledge and experience in applying the relevant legislation to the project in question
- forward planning
- meeting deadlines on time
- rigorous attention to detail

Because, as a firm, we are used to dealing with complex legal projects, we have the back-up services within the firm to support them. For example, our Secretarial Support team works 24 hours a day, seven days a week to provide secretarial support to our lawyers and meetings can be held in our offices 24 hours a day.

**They are a strong team with good subject knowledge.  
They have a well organised approach to work and  
follow up processes**

Chambers UK, 2017

# Our approach to providing legal services /

## Commitment to excellence

We have a commitment to excellence in the legal services that we supply. This starts with the recruitment of the highest quality trainees and extensive training for them. It continues with a strong commitment to on-going training for our lawyers and to pooling and organising our know how.

This commitment to excellence includes a commitment to producing and improving precedents and other model documents. Additional solicitors are employed in organising and managing our Pensions and Employment know-how and model documents.

For clients, this approach means a commitment to:

- technical accuracy
- an approach which seeks to anticipate and avoid or reduce legal risk
- practical advice provided on a timely basis
- where appropriate, innovative solutions
- but knowing when to say “no”

leading to a service which both adds value and provides value for money.

## Charges

We believe it is not solely the amount of time spent but what is accomplished during that time which has value. We see the client paying for us solving the “crossword puzzle” - not just staring at it.

We are happy to provide estimates for particular jobs and to discuss different fee structures for different types of work.

“They are always on the issues. They are timely, precise and they find solutions”

Chambers UK, 2016

# Trustee and other training /

We provide, for a number of clients, bespoke training for scheme trustees, pensions managers and pensions administrators.

Recent training topics include:

- data protection
- trustee knowledge and understanding requirements
- scheme funding and investments
- the legal framework for conducting fund valuations
- introduction to longevity swaps
- rules on conflicts of interests
- legal and regulatory issues for defined contribution schemes.

“They provide deft insight and analysis into complex and technical issues

Chambers UK, 2017

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# Other services /

The following are some of the other services we provide to clients of the department, all of which are free of charge:

## Client newsletter

Our Employment/Employee Benefits and Pensions Bulletins are produced every two or three weeks. They keep clients up to date with changes in law and practice in the pensions, employment and employee benefits field.

## Other client publications

We produce a range of other publications on current legal issues, which are available to clients. Recent examples include publications on executive remuneration, on longevity swaps for pension schemes and on the implications of the European Market Infrastructure Regulation for UK pension funds.

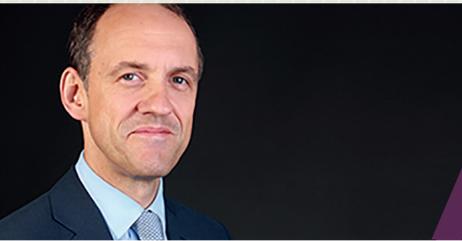
## Client briefing sessions

We run a variety of client briefing sessions, teleconferences and seminars on changes in the law and practice as it applies in this area.

Recent feedback from clients includes:

**“An extremely well thought out programme, carefully and engagingly presented**

**Case study was a great base to structure discussion / learnings. Made afternoon informative and real.**



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## Charles Cameron

Charles is the head of our Pensions and Employment Practice. He has a broad advisory and transactional practice covering pensions and employment.

His advisory practice covers trustees and sponsoring employers in relation to pension schemes, particularly in the industrial and manufacturing sectors.

Charles' relevant advisory experience covers funding/covenant negotiations, de-risking structures (Charles is a member of our Pensions Derisking Group), benefit change exercises and scheme mergers.

His transactional experience includes acting on many UK and multi-national public and private mergers and acquisitions, advising on both pensions and employment aspects.

Charles is a past Chairman of the Legislative & Parliamentary Sub-Committee of the Association of Pension Lawyers. He is also a contributor to Weinberg & Blank on Takeovers and Mergers. He is listed as a leading individual in the Pensions section of Chambers UK, 2018 and in the Pensions: (non-contentious) section of The Legal 500, 2017.



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## Padraig Cronin

Padraig has been a partner at the firm since 2001. His previous focus was on public and private M&A, equity capital markets and private equity, and he was based in our Hong Kong office between 2007 and 2011. Since 2017, he has focused entirely on our employment and employee benefits practice. His transition demonstrates the genuine multi-specialist nature of our practice. He brings with him a wealth of experience in advising on cross-over areas between corporate and employment, such as TUPE, restructurings, outsourcings, board-level hirings and firings and executive remuneration.

Padraig's key clients over the years include Cazenove, GE, Prudential, Tata Steel. More recently, he has advised Innogy and Legal & General on employment aspects of significant transactions.



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## Phil Linnard

Phil has a broad transactional and advisory practice, covering all aspects of employment, incentives and pensions matters.

Recent highlights include advising:

- Tata Steel on the restructuring of the £13 billion British Steel Pension Scheme through a regulated apportionment arrangement (RAA) with the Trustee, and the contingent creation of a new British Steel Pension Scheme, with the support of the Pensions Regulator and the Pension Protection Fund
- Tata Steel on the employment and pensions aspects of business disposals including the sale of Longs Steel UK (now British Steel) and its specialty steels business
- Bupa on the employment and pensions aspects of its agreement to sell part of its UK care home business to HC-One (subject to regulatory approval)
- UK Asset Resolution on the pensions and employment aspects of its sale of a £13 billion asset portfolio to Cerberus Capital Management
- Allianz Global Investors on the employment and incentives aspects of its acquisition of Rogge Global Partners

Besides his transactional work, Phil advises clients on standalone employment, incentives and pensions matters, with a recent focus on arrangements for the appointment, incentivisation and termination of senior executives of listed and non-listed companies.



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## Sandeep Maudgil

Sandeep advises on a wide range of pensions and employment-related matters, both insofar as they affect mergers and acquisitions, and in the day-to-day ongoing context.

He has extensive experience advising employers and trustees of a wide range of occupational pension schemes on all matters, including management of the issues arising from scheme funding deficits and recent changes in pensions legislation, as well as implementing the transition to more affordable benefit structures and full or partial buy outs of pension scheme liabilities.

He has also been at the forefront of thinking in relation to collective defined benefit (CDC) schemes and the new options for retirement benefit provision opened up by the Pension Schemes Act 2015.

Sandeep is listed as a leading individual in the Pensions section of Chambers UK, 2018. He is a member of the Employment Lawyers Association and the Association of Pensions Lawyers, sitting on the Legislative & Parliamentary Sub-Committee.



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## Daniel Schaffer

Dan joined the firm as a partner in our Pensions and Employment Group in September 2017. He has twenty years of partner experience and his practice covers both contentious and non-contentious (transactional and general advisory) aspects of pensions. He advises employers and trustees, including on significant industry-wide schemes. Dan's experience includes scheme mergers and demergers, implementation of scheme and benefit redesign projects and covenant and funding solutions.

Dan's recent work includes acting for:

- Coats - successfully resolving a major investigation by the Pensions Regulator into three schemes (leading to withdrawal of three Warning Notices - 2016/17).
- IBM - identifying the legal flaw in the High Court decision in *IBM v Dalgleish* and formulating the argument for the successful appeal (judgment handed down in August 2017).
- E.ON - advising since 1990, including on its demerger with Uniper and the establishment of the Uniper section of the Electricity Supply Pension Scheme.
- Foster Wheeler - on a major benefit redesign project and identifying the flaw in the High Court decision in *Foster Wheeler v Hanley*. Subsequent formulation of the successful argument to reverse the decision, in the Court of Appeal.
- EDF - on a major benefit redesign of three schemes, including collaboration with four trades unions and three sets of trustees.
- Railways Pension Scheme - advising since 1997 the trustee of the 100 section industry-wide defined benefit and defined contribution scheme. This involves liaising (on covenant funding, transfer and other issues) with over 100 employers of varying sizes of business.
- Electricity Supply Pension Scheme - advising the central employer body since 2005 on restructuring the scheme and other complex issues.

Dan is listed as a leading individual in the Pensions section of Chambers UK, 2018 and in the Pensions: (non-contentious) section of The Legal 500, 2017. He lectures regularly on pensions including at Oxford, Cambridge and Bristol universities. Dan is chair of Bristol University Law School's Advisory Board.





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For further information, please speak to your usual Slaughter and May contact.

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